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CBO EXPOSES DANGER OF REPUBLICAN AGENDA TO REPEAL HEALTH REFORM

Republican Agenda Adds Over a Trillion to the Deficit, Raises Health Care Costs for Americans, Increases Uninsured by 33 Million

WASHINGTON – Instead of focusing on jobs, the Republican majority continues to push efforts to repeal health reform. Today, Republicans approved several amendments to their Continuing Resolution that would seek to defund the health reform law.

The non-partisan Congressional Budget Office (CBO) today issued an expanded score of their repeal legislation, exposing the dangers of their agenda -- over a trillion dollars added to the deficit, higher health care costs for Americans, and 33 million more uninsured. Rep. Pete Stark, Ranking Member of the Ways and Means Health Subcommittee, today commented on the updated CBO score.

Rep. Stark: "Republicans talk out of both sides of their mouths, attacking the cost savings in the bill but then denying that the savings take place. The Congressional Budget Office today reiterated the facts -- Republican efforts to repeal health reform will balloon the deficit, raise health care costs for American families, and increase the number of uninsured by 33 million."

Republicans have been questioning the CBO estimate provided last month, asking how on earth repealing health reform could increase the deficit. In a Budget 101 lesson, CBO explained why the Republican repeal bill increases the deficit:

"H.R. 2 would, on net, increase federal deficits over the next decade because the net savings from eliminating the coverage provisions would be more than offset by the combination of other spending increases and revenue reductions." (page 4)

The full CBO score exposes the other dangers of the GOP's continued repeal push. The Republican bill would...

Increase the deficit by \$210 billion in the next decade:

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"CBO and JCT estimate that, on balance, the direct spending and revenue effects of enacting H.R. 2 would cause a net increase in federal budget deficits of \$210 billion over the 2012-2021 period." (page 2)

Increase the deficit by an additional \$1.2 trillion over the second decade:

"Because PPACA and the Reconciliation Act were projected to reduce deficits in the decade following the 10-year projection period, CBO estimates that enacting H.R. 2 would increase federal deficits during the decade following the initial 10-year period. Specifically, the total increase in deficits during the 2022-2031 period would lie in a broad range around one-half percent of GDP." (page 17)

Continue to add to the deficit problem in the long run:

"[I]n view of the projected budgetary effects between 2022 and 2031, CBO anticipates that enacting H.R. 2 would probably continue to increase budget deficits relative to those under current law in subsequent decades." (page 17)

Lead to worse coverage for families buying insurance on their own:

"[T]he average insurance policy in this market would cover a smaller share of enrollees' costs for health care and a slightly narrower range of benefits." (page 19)

Mean higher premiums for those who get coverage through large employers:

"Premiums for employment-based coverage obtained through large employers would be slightly higher under H.R. 2 than under current law, reflecting the net impact of many relatively small changes." (page 19)

Raise health care costs for families buying insurance on their own:

"[M]any people would end up paying more for health insurance— because under current law, the majority of enrollees purchasing coverage in that market would receive subsidies via the insurance exchanges, and H.R. 2 would eliminate those subsidies." (page 19)

Drive up health insurance costs for families by eliminating market reforms:

"[I]nsurers would probably incur higher administrative costs per policy and enrollees would tend to be less healthy, leading to higher average costs for their health care." (page 19)

Increase the number of uninsured by 33 million:

"Under H.R. 2, about 33 million fewer nonelderly people would have health insurance in 2021, leaving a total of about 57 million nonelderly people uninsured." (page 7)

Increase government spending on health care over time:

"CBO projects that enactment of H.R. 2 would increase the federal budgetary commitment to health care in the decade following the 10-year projection period." (page 18)

For the full CBO score, please visit: http://go.usa.gov/gNt

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